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Improvements in K mart's merchandising program, favorable weather and optimistic consumers all contributed to a 15.5% rise in K mart Corporation consolidated sales for the five weeks ended June 29 over the level of the previous June, according to Board Chairman Bernard M. Fauber.

The performance was K mart's strongest monthly comparison since January 1982.

The estimated June sales results of \$1,839,738,000 (compared with \$1,592,945,000 for June 1982) boosted K mart's year-to-date sales increase to 11.0% over the first 22 weeks of fiscal 1982. At the end of the period, total sales for fiscal 1983 were \$7,242,243,000 compared with \$6,525,438,000 for the same period last year.

Fauber said seasonal goods, including summer clothing, sold especially well in June because of hot temperatures. He also credited the addition of high-quality, name-brand merchandise for much of the strength in apparel sales.

"We also believe the substantial increases in men's and boys' clothing result partly from the conversion of merchandising systems in those departments to match the efficient procedures used in ladies' and girls' apparel," Fauber added.

Comparable store sales—those from K mart stores open at least one year—increased by 13.6% this June over the same period in 1982.

Sales figures include results from K mart discount department stores, which totaled 2,139 on June 29, 1983, compared with 2,084 K marts on June 30, 1982. Also contributing to sales are Designer Depot, Kresge and Jupiter stores and Furr's Cafeterias, Inc.

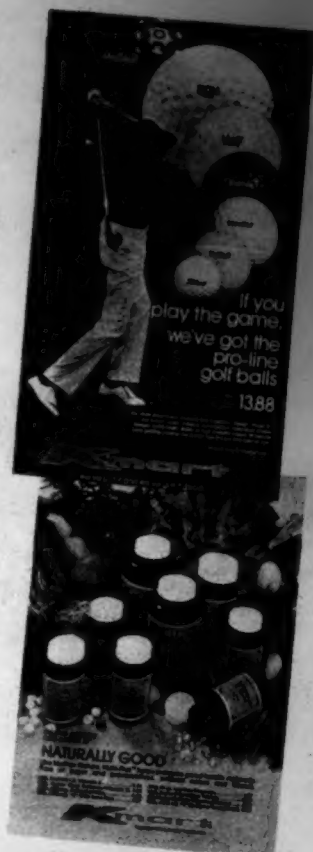
Media Momentum

As far back as ten years ago, K mart started to toy with the idea of creating an in-house advertising agency. "But we were looking at such a venture on too broad a scale," says Mike McClure, Director of the newly-created, in-house ad agency, Media Momentum. "In the past we have placed a considerable amount of our advertising with outside agencies." This we wanted to change and bring some of the outside work in and obviously cut costs. Media Momentum has started by handling the magazine advertising. This seemed a more logical place to start and fortunately our timing was good to start this project; we had the right people to direct and assist in getting it off the ground, which included Norman Milley, Vice President General Merchandise Manager, and Jim Moser, Director of Advertising.

Media Momentum, Inc. is a subsidiary of K mart. It was formed in November of last year with Milley and Moser coming up with the name. Media entails all advertising conveyed through radio, TV, magazines and newspapers and Momentum signifies the active motion of this new agency. It has its own logo, which substantiates it as a recognized ad agency. Ad projects include K mart Apparel, Meldisco (K mart footwear), K mart Enterprises (KE), and all K1 and K2 departments.

McClure feels that starting a venture, such as this, on a small scale is a wise move. "The amount of magazine ad production we're doing in terms of size is not great, but it is growing and that's primarily what we're working on," explains McClure. "We intended to start small and when we're ready to expand, Media Momentum will become involved in handling other media."

Ad production starts with working up a conceptual layout, created by Betty DiBartolomeo, Manager of K mart Creative Advertising, Design and Illustration. Working with her are Lenore DeLiguori (better known as Wickie) and Pat Westphal, who do the mechanicals. The layouts along with the merchandise, models, props, etc., are taken to our internal photographic studio. The layouts serve as a guide for the desired look of the ad and several shots are taken to obtain that look. "We've approached the magazine ads very carefully and now we're getting good at doing them," notes McClure. "Magazine advertising is very different from doing newspaper inserts or comics. When you start to enter into a magazine such as *Cosmopolitan*, *Family Circle*, you're competing with people out there who've been doing this for a long time and they do their work 100% perfect every time."



Store Openings

	Region	Tentative Opening
July	E 3597—Holmes, PA	July 21
	E 3598—Roanoke, VA	July 21
	E 7575—N. Bergen, NJ	July 21
	M 7559—St. Paul, MN	July 21
	S 7599—Hammond, LA	July 7
	S 7909—LaPlace, LA	July 14
	S 9758—Clinton, TN	July 21
August	S 9795—Boutte, LA	July 14
	C 9783—Middlesboro, KY	August 3
	C 7585—Grandview, MO	August 25
	C 2008—Ann Arbor, MI Designer Depot	August 18